



PRESS RELEASE

VERO ENERGY INC. ANNOUNCES NEW PROSPECT AREA

August 3, 2010
Calgary, Alberta

Vero Energy Inc. (TSX – VRO) of Calgary, Alberta ("**Vero**" or the "**Corporation**") is pleased to announce that it has recently acquired a drilling license in the Cordova Embayment area of Northeast British Columbia, representing a new prospective growth area for the Corporation. The lands were specifically chosen because of Vero's belief in the excellent resource potential and close proximity of the lands to midstream infrastructure.

Vero engaged McDaniel & Associates Consultants Ltd. ("**McDaniel**") to prepare an independent resource assessment on all of the Corporation's new acreage in the area (the "**McDaniel Report**").

The resource information contained in the McDaniel Report, with an effective date of July 1, 2010, was prepared and is in accordance with the requirements of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"), based on the definitions and guidelines contained in the Canadian Oil and Gas Evaluation Handbook ("**COGEH**").

The following table summarizes the resources assigned by McDaniel to the Corporation's interest in the Cordova Embayment area:

Category	Undiscovered Resource Volumes (Bcf)		
	Best Estimate ⁽³⁾	High Estimate ⁽⁴⁾	Low Estimate ⁽⁵⁾
Undiscovered PIIP ⁽¹⁾	647.8	822.9	459.2
Prospective Resources ⁽²⁾	165.2	279.7	97.6

Notes:

- (1) "**Undiscovered PIIP**" (Undiscovered Petroleum Initially In Place, equivalent to undiscovered resources) is the quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of Undiscovered Petroleum Initially In Place is referred to as "prospective resources", the remainder as "unrecoverable".
- (2) "**Prospective Resources**" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. This represents the Corporation's 100% working interest in the resources before deduction of royalties and after field shrinkage (estimated to be 15%).
- (3) "**Best Estimate**" is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
- (4) "**High Estimate**" is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the high estimate.
- (5) "**Low Estimate**" is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the low estimate.

Vero is in the early stage of assessment and development of this new asset and future drilling, seismic, and testing is required in order to provide information to help assess the full potential of these lands. The Corporation has been technically evaluating and actively monitoring this area for two years and is excited to be involved in the early stages of its development. Vero had posted these and other lands in the area and paid \$4.0 million for 2598 net acres. The option value on the purchase price of these lands in the best estimate prospective resource is \$ 0.02/mcf. The Corporation will expend minimal capital in 2010, using the balance of this year to plan and make ready its 2011 capital program for this project. There is considerable term on the lands and assessment and development is proportional and manageable for Vero in upcoming years. Management believes this play has the potential over time to significantly add to our current proved plus probable reserves and is consistent with Vero's long term strategy of a technical focus emphasizing organic, high rate of return growth. The Corporation plans on leveraging its known technical expertise and low cost structure focus to this new play.

Vero is a publicly traded Corporation with its head office in Calgary and is engaged in the business of exploring for, developing and producing crude oil and natural gas and acquiring crude oil and natural gas properties in western Canada. Common shares of Vero are listed on the Toronto Stock Exchange under the symbol "VRO". Corporate information is available on the Corporation's website at www.veroenergy.ca.

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ADVISORY

Resource Estimates:

The resource estimates provided herein are estimates only. There is no certainty that any portion of the undiscovered resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. Readers are cautioned that the volumes presented are estimates only and actual resources may be greater than or less than the estimates provided herein. Recovery projects, in the case of the prospective resource described, have historically been developed sequentially over time and are subject to annual budget constraints, the timing of the growth of third party infrastructure, the short and long view of the Corporation's commodity prices, the results of exploration and development activities of the Corporation and others in the area and possible infrastructure capacity constraints. There are no wells currently penetrating any of the lands assessed in the McDaniel Report and therefore the uncertainty in these estimates is high. Moreover, there is no certainty that it will be economically viable or technically feasible to produce any portion of the resources estimated herein except to the extent identified as proved or probable reserves. Resources do not constitute and shall not be confused with reserves. Accordingly, readers should not place undue reliance on the resource estimates contained herein.

Forward-Looking Statements:

This press release contains certain forward-looking information and statements within the meaning of applicable securities legislation. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the generality of the foregoing, this new release contains forward-looking information and statements with respect to the estimated resource assessment, Vero's belief in the prospective nature and potential of the Corporation's lands in the Cordova Embayment area, Vero's exploration and development plans and timing thereof, future oil and natural gas prices, the number of wells to be drilled and completed, the amount and timing of capital projects, operation costs and the total future capital associated with development of resources.

The forward looking information and statements contained in this new release speak only as of the date of this new release and Vero does not assume any obligation to publicly update or revise any of the included forward looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.